

This commonsense legislation is aimed at expanding the resources the International Monetary Fund can tap in order to provide member countries with technical assistance for anti-money laundering and counterterrorist financing efforts.

Through the IMF's legal department, experts provide assistance to countries that want to put in place effective AML/CFT frameworks in compliance with international standards. Unfortunately, demand is outpacing supply.

Currently, the IMF provides only about \$7 million dollars in AML/CFT technical assistance a year. It is funded almost entirely through volunteer donor trust fund contributions. The U.S. does not contribute to the trust fund. This bill will require the U.S. Executive Director at the IMF to advocate for additional AML/CFT technical assistance financing through the IMF's administrative budget.

The provision of AML/CFT technical assistance should be a top priority, and I think many of us would support a slightly larger transfer of the IMF's annual net profits into the budget to accommodate this important work.

This bill represents an important goal, one that the U.S. should pursue at the IMF, and I urge my colleagues to support this measure.

Mr. Speaker, I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico (Mr. PEARCE), the author of the bill.

Mr. PEARCE. Mr. Speaker, I thank the gentleman for yielding, and I appreciate my colleague for her support on the bill.

The IMF plays a very significant role in global economic stability. Since they work with the world's central banks and financial institutions, it is only appropriate that we would be extending technical assistance to this organization and make it more permanent that they would finance and back up the plans of all countries to combat money laundering and terrorism. That is the simple precept of the bill.

So as we look at the possibilities, the global rise of terrorism is causing instability in every corner of the world. The world should be now standing up saying that we all join hands, we join arms, link arms to fight this global scourge. One of the most important fights is the ability to choke off the financing, to interrupt the financing of the operations.

This will not do completely what we need to do to stop the threats of global terrorism, but it will go a long way. But, more importantly, it will get buy-in from countries right now are reticent to take part. That is one of the essential things. Some nations are allowed to sit on the sidelines, and all we are saying is that should be up to all of us, not one country here, not the countries that are being affected, but the entire world should be standing together.

This is just a commonsense, pragmatic approach to the situation of money laundering and terrorism. Again, it is not a partisan issue. So I appreciate the input of my colleagues on the other side of the aisle.

With that, I recommend that all vote "yes" on H.R. 5469.

Mr. FITZPATRICK. Mr. Speaker, I yield myself such time as I may consume.

I thank my colleague from New Mexico (Mr. PEARCE), for his important work on the anti-financing of terrorism issue. It is a very patriotic effort on his part. It's an important bill. We thank our colleagues across the aisle for their support of the bill as well, and I ask our colleagues as well to support the passage of H.R. 5469.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5469.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

NATIONAL STRATEGY FOR COMBATING TERRORIST, UNDERGROUND, AND OTHER ILLICIT FINANCING ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5594) to require the establishment of a national strategy for combating the financing of terrorism and related financial crimes, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Strategy for Combating Terrorist, Underground, and Other Illicit Financing Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The financing of terrorism and related forms of illicit finance present a direct threat to national security and a threat to global stability.

(2) New terrorist groups or threats can form quickly, and other groups change tactics to adapt, creating a constantly changing terrorist environment, presenting ever-changing risks and challenges to programs to disrupt the financing of terrorism and related forms of illicit finance.

(3) As demonstrated in hearings before the Task Force to Investigate Terrorism Financing, terrorists in some instances have formed symbiotic relationships with, or are taking over, transnational crime syndicates, so that funding for both terrorism and profits from crime flow in the same fashion and often are indistinguishable.

(4) Methods of concealing the movement of illicit funding change quickly in a globalized economy, and rapid technological changes

and financial innovation pose new risks that may be increasingly difficult for governments to stay abreast of without an agile, constantly adjusted strategy to spot, disrupt, and prevent the financing of terrorism and related forms of illicit finance.

(5) A bipartisan requirement to create a national anti-money laundering strategy enacted in 1998 expired in 2007. Given the rapid globalization and rapid technology changes of the financial sector, an updated strategy focused on the financing of terrorism is necessary.

(6) It is important for the Government to have a unified strategy to fight financial crime and to update it annually, both to accommodate new and developing threats and to help Congress develop legislative and funding priorities.

(7) An effective strategy to counter terrorism financing is a critical component of the broader counter terrorism strategy of the United States.

SEC. 3. DEVELOPMENT OF NATIONAL STRATEGY.

(a) IN GENERAL.—The President, acting through the Secretary of the Treasury (the "Secretary") shall, in consultation with the Attorney General, the Secretaries of State, Defense, and Homeland Security, the Director of National Intelligence and the appropriate Federal banking agencies, develop a national strategy for combating the financing of terrorism and related forms of illicit finance.

(b) TRANSMITTAL TO CONGRESS.—By June 1 each year following the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a national strategy developed in accordance with subsection (a).

(c) EVALUATION OF EXISTING EFFORTS AND BROADER STRATEGY.—The President shall accompany each strategy submitted under subsection (b) with a report that—

(1) describes the effectiveness of efforts to enforce existing prohibitions against illicit finance;

(2) describes how the United States is addressing the highest levels of risk identified in the National Money Laundering Risk Assessment and the National Terrorist Financing Risk Assessment published by the Department of the Treasury;

(3) evaluates the effectiveness of United States efforts to fight illicit finance at actually preventing, discovering, and countering terrorist financing and other forms of illicit finance (and the effectiveness of those efforts that the United States coordinates with foreign nations); and

(4) describes how the strategy submitted under subsection (b) is integrated into, and supports, the broader counter terrorism strategy of the United States.

(d) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the national strategy that involves information which is properly classified under criteria established by the President shall be submitted to the Congress separately in a classified annex and, if requested by the chairman or ranking Member of one of the appropriate congressional committees, as a briefing at an appropriate level of security.

SEC. 4. CONTENTS.

(a) IN GENERAL.—The strategy described under section 3 shall contain, at a minimum, the following:

(1) THREATS, GOALS, OBJECTIVES, AND PRIORITIES.—A comprehensive, research-based, long-range, quantifiable discussion of threats, goals, objectives, and priorities for disrupting, preventing and reducing the number, dollar value, and effects of illicit finance in the United States and foreign countries that impact the security of the United States.

(2) **COORDINATION.**—A discussion of methods to best coordinate such efforts with international, State, and local officials, law enforcement, regulators, and financial institutions.

(3) **REVIEWS AND PROPOSED CHANGES.**—Reviews of enforcement efforts, relevant regulations and relevant provisions of law and, when appropriate, discussions of proposed changes determined to be appropriate to ensure that the United States pursues coordinated and effective efforts at all levels of government in the fight against illicit finance and with international partners.

(4) **DETECTION AND PROSECUTION INITIATIVES.**—A description of efforts to improve detection and prosecution of illicit finance, including efforts to ensure that—

(A) subject to legal restrictions, all appropriate data collected by the Government that is relevant to the efforts described in this Act be available in a timely fashion to all appropriate Federal departments and agencies and, as appropriate and consistent with section 314 of the USA PATRIOT Act, to financial institutions to assist them in efforts to comply with laws aimed at curbing illicit finance; and

(B) appropriate efforts are undertaken to ensure that Federal departments and agencies charged with reducing and preventing illicit finance make thorough use of publicly available data in furtherance of this effort.

(5) **THE ROLE OF THE PRIVATE FINANCIAL SECTOR IN PREVENTION OF ILLICIT FINANCE.**—A discussion of ways to enhance partnerships between the private financial sector and Federal departments and agencies with regard to the prevention and detection of illicit money laundering finance, including—

(A) efforts to facilitate compliance with laws aimed at stopping such illicit finance while maintaining the effectiveness of such efforts; and

(B) providing incentives to strengthen internal controls and to adopt on an industry-wide basis more effective policies.

(6) **ENHANCEMENT OF INTERGOVERNMENTAL COOPERATION.**—A discussion of ways to combat illicit finance by enhancing—

(A) cooperative efforts between Federal, State, and local officials, including State and local prosecutors and other law enforcement officials;

(B) to the extent possible, cooperative efforts among States and between State and local officials, including State and local regulators, prosecutors, and law enforcement officials; and

(C) cooperative efforts with and between governments of countries and with and between multinational institutions with expertise in fighting illicit finance.

(7) **PROJECT AND BUDGET PRIORITIES.**—A 3-year projection for program and budget priorities and achievable projects for reductions in illicit finance.

(8) **ASSESSMENT OF FUNDING.**—A complete assessment of how the proposed budget described under paragraph (7) is intended to implement the strategy described in this Act and whether the funding levels contained in the proposed budget are sufficient to implement the strategy, including a discussion of the extent to which funding for such efforts is or should be funded from fines, settlements, seizures or forfeitures related to illicit finance.

(9) **TREND ANALYSIS.**—Data regarding trends in illicit finance, with a special focus on the funding of terrorism.

(10) **ENFORCEMENT REPORT.**—A report containing an evaluation of the enforcement of policies to combat illicit finance.

(11) **ENFORCEMENT.**—A discussion of the current policies of the United States to enforce the provisions of the Bank Secrecy Act and related laws regarding the financing of

terrorism and other forms of illicit finance, together with recommendations for improving enforcement.

(12) **TREASURY ATTACHÉS.**—A discussion of the Department of the Treasury attachés, including—

(A) a list of embassies where Department of the Treasury attachés are posted and a discussion of their effectiveness in the fight against illicit finance;

(B) a list of the United States embassies at which a Department of the Treasury attaché is assigned for temporary duty, the length of such assignments, and the reason why such assignments are not considered to be permanent assignments;

(C) how the Department of the Treasury's interests relating to economic and anti-terrorism finance issues are handled at other embassies, including a discussion of the reporting structure by which such issues are brought to the direct attention of the ambassador; and

(D) the effect of not having more attachés in embassies that are most vulnerable to illicit finance threats and a discussion of whether the Department of the Treasury's economic or anti-illicit finance issues are thought to be under-represented in some embassies or regions.

(13) **ILLICIT FINANCE AND CYBER CRIME.**—A discussion of terrorist financing and other forms of illicit finance that involve cyber attacks, evolving forms of value transfer, including so-called "crypto currencies", and other methods that are computer, telecommunications, or internet-based.

(14) **TECHNOLOGY.**—An analysis of current and developing ways to leverage technology to improve the effectiveness of the fight against the financing of terror and other forms of illicit finance, including the use of "big data" analytics, the merging of publicly sourced data with Bank Secrecy Act data and with other forms of secure Government data to increase such effectiveness, and ways to enhance the role of the private sector in combating illicit finance.

SEC. 5. DEFINITIONS.

For purposes of this Act:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term "appropriate congressional committees" means the Committee on Financial Services, Committee on Foreign Affairs, Committee on Armed Services, Committee on Homeland Security, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs, Committee on Foreign Relations, Committee on Armed Services, Committee on Homeland Security and Governmental Affairs, and the Select Committee on Intelligence of the Senate.

(2) **APPROPRIATE FEDERAL BANKING AGENCIES.**—The term "appropriate Federal banking agencies" has the meaning given that term under section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(3) **BANK SECRECY ACT.**—The term "Bank Secrecy Act" means—

(A) section 21 of the Federal Deposit Insurance Act;

(B) chapter 2 of title I of Public Law 91-508; and

(C) subchapter II of chapter 53 of title 31, United States Code.

(4) **ILLICIT FINANCE.**—The term "illicit finance" means the financing of terrorism, money laundering, and other forms of illicit or underground financing or other illicit finance domestically and internationally, as defined by the President.

(5) **STATE.**—The term "State" means each of the several States, the District of Columbia, and each territory or possession of the United States.

The SPEAKER pro tempore (Mr. COLLINS of New York). Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentleman from Massachusetts (Mr. LYNCH) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1430

Mr. FITZPATRICK. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, during my 2-year appointment on the House Financial Services Committee's Task Force to Investigate Terrorism Financing, I joined with Ranking Member STEPHEN LYNCH, Vice Chair ROBERT PITTENGER, and a dedicated, bipartisan body to investigate and evaluate the efforts made by the United States to counter and dismantle the financial networks funding terrorist organizations. During this time, our task force heard repeated testimony that information sharing is not as efficient as it ought to be and that, in some instances, agencies or departments are not coordinating their efforts well enough.

During a hearing held by our task force, Juan Zarate, senior adviser at the Center for Strategic and International Studies, stated that, and this is a quote: "The U.S. Government's approach to its economic vulnerabilities is scattered—with strategies to protect supply chain security, combat transnational organized crime, secure the cyber domain, protect critical infrastructure, and promote U.S. private sector interests abroad to compete with state-owned enterprises . . . the U.S. should craft a deliberate strategy that aligns economic strength with national security interests more explicitly and more completely."

This, Mr. Speaker, is exactly what this bill aims to address. H.R. 5594 requires the President, acting through the Treasury, to develop and publish an annual whole-of-government strategy to combat money laundering and terrorist financing.

Mr. Speaker, I reserve the balance of my time.

Mr. LYNCH. Mr. Speaker, I yield myself such time as I may consume.

I am very pleased to rise, along with my colleagues Chairman MICHAEL FITZPATRICK from Pennsylvania; our vice chair, the gentleman from North Carolina (Mr. PITTENGER); the gentlewoman from New York (Ms. VELÁZQUEZ); and also the gentlewoman from Arizona (Ms. SINEMA), in support of H.R. 5594, a bill that will build on the administration's commendable efforts to counter the financing of terrorism.

I would note that the proposal before us today, of which I am a cosponsor, also builds off of previous bipartisan legislation, led by the gentlewoman from New York (Ms. VELÁZQUEZ), and former Financial Services Committee Chairman, Spencer Bachus. Together, their legislation, enacted in 1998, called for the creation of a national anti-money laundering strategy and laid the groundwork for the legislation that we present here today.

Thanks to the continued leadership of Representative VELÁZQUEZ and the work of members of the Financial Services Committee's Task Force to Investigate Terrorism Financing, which was created by the full committee chairman, Mr. HENSARLING of Texas, and joined by the gentlewoman from California (Ms. MAXINE WATERS), our government will be required to continue its efforts to stay ahead of the evolving methods that terrorists and other bad actors use to conceal the movement of illicit funds.

Specifically, the national strategy that will be developed as part of this legislation will require a comprehensive assessment of the threats, goals, objectives, and priorities for preventing and disrupting illicit finance, and it will promote efforts to detect and prosecute the financing of terrorism.

Moreover, this legislation includes a requirement to assess the ways in which we can strengthen the role of the private sector, enhance public-private partnerships to disrupt illicit finance, and most effectively enhance intergovernmental coordination.

Our legislation also calls on the administration to assess the adequacy of funding dedicated to meeting anti-money laundering/counterterrorist financing challenges, and assess how best to leverage technology and other data to fight against the financing of terror.

As the Islamic State and other terrorist groups continue to demonstrate their capacity and willingness to export heinous acts of violence to every corner of the globe and inspire attacks here in the United States, the need to have an effective strategy to counter the financing of these activities is now more important than ever.

In closing, I would like to thank House Financial Services Committee Chair JEB HENSARLING and Ranking Member MAXINE WATERS for the creation of the Financial Services Committee's Task Force to Investigate Terrorism Financing.

I would also like to again thank the gentleman from Pennsylvania, Chairman MIKE FITZPATRICK; the gentleman from North Carolina, Vice Chair ROBERT PITTEMBERG; and the rest of my colleagues on the Financial Services Committee for the enthusiasm and energy with which they have carried out the mandate of the task force. Our work has been a truly bipartisan effort, and I look forward to the opportunity to build on these efforts in the future.

I urge my colleagues to support this legislation.

I reserve the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. HILL), an important and valued member of the task force.

Mr. HILL. I thank the chairman for yielding. I thank Mr. LYNCH for his important legislation, H.R. 5594, which I stand in support of and as a cosponsor of today.

I want to thank Chairman FITZPATRICK and Chairman HENSARLING for the opportunity to serve on this critical task force on terror financing. It is an important but less-discussed part of the war on terror.

This war on terror requires a more nuanced approach to achieve victory than previous U.S. conflicts. It requires the full coordination and collaboration of allied financial, cyber, diplomatic, and military capabilities. And one of the most underreported aspects of winning this war has been infiltrating and cutting off sources of funding for terrorist groups.

Like its occasional intermittent engagement, accompanied by long periods of lack of resolve, lack of clear rules of engagement that would produce victory, occasionally, this administration has not been consistent in pressing for victory in the war on terror finance. But since San Bernardino and Paris, we see the administration aggressively targeting ISIS' funding sources.

Instead of intermittent, we need a coordinated strategy to combat terror finance between all of our government agencies and with our allies to make sure it is the most effective in countering this menace.

The Financial Crimes Enforcement Network, or FinCEN, is our Nation's front line at the Treasury for government-to-government and enhanced government-to-private sector coordination that this national strategy puts in full force.

I was pleased to cosponsor Mr. LYNCH's amendment that was passed in last week's Financial Services appropriations legislation that includes an increase for FinCEN's budget.

I am proud to join my colleague, Mr. FITZPATRICK, and our committee on this important bill to require a national strategy to combat terrorism, underground, and other forms of illicit finance. I urge my colleagues to support this important bill.

Mr. LYNCH. Mr. Speaker, I thank the gentleman from Arkansas, and I yield 3 minutes to the gentlewoman from Arizona (Ms. SINEMA), one of our lead cosponsors on this legislation.

Ms. SINEMA. Mr. Speaker, I thank Chairman FITZPATRICK and Ranking Member LYNCH.

Over the course of the past year, the Task Force to Investigate Terrorism Financing has found that U.S. Government efforts to counter the financing of terrorism lack sufficient coordination and that the United States has no

unified national strategy to guide our counterfinancing efforts.

The Federal Government must change its approach and mindset to counter the financing of terrorism, and this is why Chairman FITZPATRICK and I introduced this bipartisan legislation to direct the Secretary of the Treasury, in coordination with relevant Federal agencies, to establish a whole-of-government strategy to combat the financing of terrorism and related forms of illicit finance.

This strategy must include: a critical assessment of the effectiveness of U.S. efforts to fight terrorist financing; ways to improve coordination with international, State, and local law enforcement and the private sector; and a comprehensive discussion of threats, goals, objectives, and priorities for disrupting and preventing terrorist financing. The strategy should enhance detection, deterrence, prosecution, and ultimately strengthen our broader national security goals.

Our legislation forces the Federal Government to create a whole-of-government strategy to counter terrorism financing that improves the effectiveness of our efforts and better aligns these efforts with our broader national interests.

Terrorism is an undeniable threat to our country's security and global stability. Terrorist networks constantly develop new ways to finance their deadly operations and threaten America.

The Islamic State is one of the world's most violent, dangerous, and well-financed terrorist groups. To keep our country safe, we must be one step ahead of ISIS, cutting off its funding and stopping its efforts.

I thank Chairman FITZPATRICK and Congresswoman VELÁZQUEZ for allowing me to join and work with them on this important legislation.

I thank Chairman HENSARLING and Ranking Member WATERS for establishing this important task force, and I thank Chairman FITZPATRICK and Ranking Member LYNCH for their leadership on the Task Force to Investigate Terrorism Financing.

I look forward to working with my colleagues on both sides of the aisle to keep money out of terrorists' hands and build on our progress to strengthen America's security.

Mr. FITZPATRICK. Mr. Speaker, I yield 2 minutes to the gentlewoman from Missouri (Mrs. WAGNER), a trusted member of the Task Force to Investigate Terrorism Financing.

Mrs. WAGNER. Mr. Speaker, I thank my colleague, Representative FITZPATRICK, the chair of our terrorism task force here, along with Representative LYNCH, Representative SINEMA, and others, for moving forward on this issue and legislation.

I stand today in support, and I am proud to have been a cosponsor of this important legislation that would require the President to develop an all-encompassing government strategy to

combat money laundering and terrorist financing.

The National Strategy for Combating Terrorist, Underground, and Other Illicit Financing Act addresses this important problem by developing a comprehensive strategy that includes many different components and capabilities of our Federal Government and allies.

From my time working on the terrorism finance task force, we have heard testimony from members of various government agencies and from the private sector who play a role in fighting this issue abroad. As a former United States Ambassador who has worked to stop international terrorist financing, it is clear that coordination and communication between these agencies can be improved to block terrorist financing.

ISIS, along with other terrorist groups, continues to find creative and new ways to obtain financing, often-times using our regulated financial system as a means to launder that money. This legislation, H.R. 5594, ensures our government is taking all actions necessary to stop this growing terrorist threat, and I urge its passage.

Mr. LYNCH. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield myself the balance of my time.

In closing, I just want to again thank Chairman HENSARLING and Ranking Member WATERS for entrusting to myself and my colleague, Mr. LYNCH, the important work of investigating terrorism finance, how these terrorist organizations are achieving their resources, what we can do to sort of choke off their financing, which, to terrorism, is sort of like oxygen. Without oxygen, you can't live. Without financing, terrorists can't achieve their goals.

So I want to thank Mr. LYNCH because, during the course of the 2 years we worked together, he worked very closely with me to make sure, in each of the hearings that we had and all the work in putting the bills together, that no politics seeped into this important work, and so we continue to work together.

I also want to thank the staff of the Financial Services Committee, Mr. Joe Pinder, Mr. Chris Matarangas of my staff, and Jackie Cahan of Representative LYNCH's staff, who helped us craft the legislation that is on the floor today. I ask all of my colleagues to support this bill to adopt H.R. 5594.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5594.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ANTI-TERRORISM INFORMATION SHARING IS STRENGTH ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5606) to facilitate better information sharing to assist in the fight against the funding of terrorist activities, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-terrorism Information Sharing Is Strength Act".

SEC. 2. INFORMATION SHARING.

(a) IN GENERAL.—Section 314 of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended—

(1) in subsection (b)—

(A) by striking "terrorist or money laundering activities" and inserting "terrorist acts, money laundering activities, or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)"; and

(B) by striking "activities that may involve terrorist acts or money laundering activities" and inserting "activities that may involve terrorist acts, money laundering activities, or a specified unlawful activity"; and

(2) in subsection (c), by inserting "or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)" after "terrorist acts or money laundering activities".

(b) UPDATE TO REGULATIONS.—Section 314(a) of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended by striking "or money laundering activities" each place such term appears and inserting "money laundering activities, or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)".

(c) SENSE OF CONGRESS.—Section 314 of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended by adding at the end the following:

"(e) SENSE OF CONGRESS.—It is the sense of the Congress that, in furtherance of efforts to stop the financing of terror and other forms of illicit financing through increased sharing of information, and consistent with the need to prevent inappropriate dissemination of such information—

"(1) Federal law enforcement agencies and regulators should share information about terrorist activities, money laundering activities, and other specified unlawful activities (as defined under section 1956(c)(7) of title 18, United States Code) to the fullest extent possible and in a timely fashion; and

"(2) financial institutions, including nonbank financial institutions, should share information about such acts and activities with each other to the fullest extent possible and in a timely fashion."

SEC. 3. DISCLOSURE LIABILITY.

Section 5318(g)(3)(B) of title 31, United States Code, is amended—

(1) in clause (i), by striking "or" at the end;

(2) in clause (ii), by striking the period and inserting "or"; and

(3) by adding at the end the following:

"(iii) any duty or requirement of a financial institution or any director, officer, employee, or agent of such institution to demonstrate to any person, as used in such subparagraph, that a disclosure referenced in such subparagraph is made in good faith."

SEC. 4. REPORT TO CONGRESS.

(a) IN GENERAL.—Not later than the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding—

(1) the Department of the Treasury's assessment of the risks and benefits of allowing sharing of information, consistent with appropriate privacy protections—

(A) between United States financial institutions and foreign financial institutions;

(B) between United States financial institutions and their foreign subsidiaries; and

(C) between United States subsidiaries of foreign financial institutions and their parent financial institutions; and

(2) whether a financial institution defined under section 5312(a)(2) of title 31, United States Code, that is not required under Treasury regulations on the date of the enactment of this Act to maintain an anti-money laundering program, should be authorized to appropriately share information pursuant to subsection (b) of section 314 of the USA PATRIOT Act, if—

(A) the financial institution voluntarily establishes and maintains such an anti-money laundering program;

(B) such program is subject to examination, and has been examined, by the appropriate regulator; and

(C) the Secretary determines such program to be adequately operating.

(b) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the report described under subsection (a) that involves information which is properly classified under criteria established by the President shall be submitted to the committees described under subsection (a) separately in a classified annex and, if requested by the chairman or ranking Member of one of such committees, as a briefing at an appropriate level of security.

SEC. 5. RULEMAKING.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations to be consistent with the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentleman from Massachusetts (Mr. LYNCH) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the opaque world of counter-threat finance, information sharing is critical for both the private and also the public sectors.

The PATRIOT Act created a safe harbor provision allowing for limited information sharing to combat money